

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3739-02
BILL NO.: HB 1634
SUBJECT: Telecommunications; Merchandising Practices
TYPE: Original
DATE: January 24, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 3 pages.

FISCAL ANALYSIS

MLW:LR:OD:005 (9-94)

ASSUMPTION

Officials from the **Office of the Attorney General (AGO)** assume any additional costs generated as a result of the proposal could be absorbed with existing resources.

In a similar previous proposal, officials from the **Office of State Public Defender (SPD)** assumed that existing staff could provide representation for those 5-10 cases arising where indigent persons were charged with illegal telemarketing. However, passage of more than one similar bill would require the SPD to request increased appropriations to cover the cumulative cost of representing the indigent accused in the additional cases.

Officials from the **Office of Prosecution Services (OPS)** assume the proposed legislation could result in costs to the local prosecutors, but the amount is unknown. **Oversight** assumes any costs could be absorbed with existing resources.

In a similar previous proposal, officials from the **Department of Economic Development-Public Service Commission (PSC)**, **Department of Economic Development-Office of Public Counsel (OPC)** and the **Department of Economic Development-Division of Credit Unions (DCU)** assumed the proposed legislation would have either no or minimal fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator (CTS)** assume the proposal would have no fiscal impact on their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	0	0	0
<u>FISCAL IMPACT - Small Business</u>			

This proposal could have a direct fiscal impact on certain small businesses to the extent those businesses rely on sales by telemarketers and could also result in increased recordkeeping.

DESCRIPTION

The proposed legislation would establish guidelines for telemarketers. It would require telemarketers to provide certain information promptly to the consumer receiving the telephone call; it would prohibit certain practices, such as requesting a fee in advance to remove derogatory information from or improve a person's credit history or credit record; it would prohibit abusive telemarketing acts, such as calling persons who have previously indicated they do not wish to receive telemarketing calls from that seller; and it would provide a range of appropriate time, from 8:00 a.m. to 9:00 p.m., to place telemarketing calls to a person's residence. This proposal would require retention of certain records by telemarketers for a period of twenty-four months. This proposal would have penalty provisions.

This proposal would exempt institutions and companies under the direction and supervision of the Director of the Division of Credit Unions from the provisions in Chapter 407.020, RSMo.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

This proposal would not affect Total State Revenues.

SOURCES OF INFORMATION

Office of the Attorney General
Office of State Public Defender
Office of Prosecution Services
Department of Economic Development-Public Service Commission
Department of Economic Development-Office of Public Counsel
Department of Economic Development-Division of Credit Unions
Office of State Courts Administrator



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